



Financial Assistance Award

DENALI COMMISSION
510 "L" Street, Suite 410
Anchorage, Alaska 99501
(907) 271-1414 (phone)
(907) 271-1415 (fax)
www.denali.gov

Authority
112 Stat 1854

CFDA Number
90.100

**Denali Commission Finance
Officer Certification**

Award Number 252-06

Award Title Pitka's Point Washeteria Construction

Performance Period September 15, 2006 to June 30, 2008

Authorizing Resolution 05-11

Recipient Organization & Address

Alaska Native Tribal Health Consortium
1901 South Bragaw, Suite 200
Anchorage, AK 99508-3440
Phone: (907) 729-3709
Fax: (907) 729-4049

Recipient DUNS # 07-1375658 **TIN #** 92-1062721

Cost Share Distribution Table

Accounting Code	Denali Commission	Other Contributors	Total
FY05 Energy & Water - Washeteria	\$697,000		\$697,000
State of Alaska - DCCED		\$45,000	\$45,000
Local - In-Kind		\$37,500	
Total	\$697,000	\$82,500	\$779,500

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

- ☒ Special Award Conditions and Attachments
- ☒ MOU Between Denali Commission & ANTHC, June 2006
- ☒ OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations
(<http://www.whitehouse.gov/omb/circulars/a133/a133.html>)

Administrative Requirements (check one)

- ☐ OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments
(<http://www.whitehouse.gov/omb/circulars/a102/a102.html>)
- ☒ 2 CFR Part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations (OMB Circular A-110)
(http://www.access.gpo.gov/nara/cfr/waisidx_05/2cfr215_05.html)

Cost Principles (check one)

- ☐ OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments
(www.whitehouse.gov/omb/circulars/a087/a087-all.html)
- ☒ OMB Circular A-122, Cost Principles for Nonprofit Organizations
(www.whitehouse.gov/omb/circulars/a122/a122.html)
- ☐ OMB Circular A-21, Cost Principles for Educational Institutions
(<http://www.whitehouse.gov/omb/circulars/a021/a021.html>)
- ☐ 48 CFR 31.2, Contracts with Commercial Organizations

Signature of Authorized Official - Denali Commission

Typed Name and Title

George J. Canellos, Federal Co-Chair

Date

9-18-06

**Signature of Authorized Official - Alaska Native Tribal
Health Consortium**

Typed Name and Title

Paul Sherry, CEO

Date

9/19/06

ASSURANCES - CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

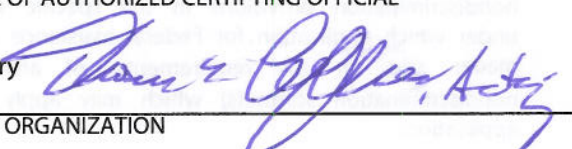
**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET.
SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327- 333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §57401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §5469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL		TITLE
Paul Sherry 		CEO
APPLICANT ORGANIZATION		DATE SUBMITTED
Alaska Native Tribal Health Consortium Award 252-06		

***Award Conditions to the Financial Assistance Award
Between the Denali Commission and
Alaska Native Tribal Health Consortium
For Pitka's Point Washeteria Construction
Award No. 252-06
September 2006***

1. Scope of Work

Alaska Native Tribal Health Consortium, hereinafter referred to as ANTHC, will conduct the design and construction of a 2,240 square foot facility on behalf of the Pitka's Point Traditional Council. Approximately 1,000 square feet or 45% of the facility will house a Washeteria for the benefit of the entire community. The structure will contain four washers, three dryers, shower facilities and a handicap bath tub, toilets, and the mechanical plant to support those activities. The building will be ADA compliant and provide handicap access.

The total amount of funding provided by the Denali Commission for this financial assistance award shall not exceed \$697,000. The project number identified by ANTHC for this project is AN03-R37.

The Pitka's Point Traditional Council will contribute more than 10% of the cost of the Washeteria. Actual square footage of the Washeteria is 45% of the total 2,240 SF of the structure. With allowance of an additional 30% to adjust for the value of location in relationship to users and connecting infrastructure, the Cost Share Match will be from 75% value of the following:

- \$60,000 balance of grant funding available from the Alaska DCCED
- \$40,000 through reduction in construction costs by provision of staging area and construction labor housing
- \$10,000 estimated value of real estate based on \$4,000-\$15,000 range of value estimate from SOA.

All Commission funding is intended for use for the scope of work identified in the Award document only. Any balance of funds remaining after the full scope of work has been completed will be returned to the Denali Commission.

2. Milestones

The following milestones are identified as the major steps to be completed as part of the project. "Planned" dates for the first milestone are included here. As part of each progress report, recipients shall update the progress toward meeting these milestones (see section 7, Reporting).

Milestone	Planned		Actual		Units	Total Cost At Completion
	Start Date	End Date	Start Date	End Date		
Planning/Design	10/01/2006	07/01/2007			0	\$0.00
Construction	07/01/2007	07/01/2008			0	\$0.00
Project Close-out	07/01/2008	09/30/2008			0	\$0.00

3. Award Performance Period

The Award performance period is September 15, 2006 through June 30, 2008. This is the period during which Award recipients can incur obligations or costs against this Award.

4. Direct and Indirect Costs

The cost principles of OMB A-122 are applicable to this Award. Indirect costs up to 20% are allowable under this Award. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

The total Award of \$697,000 includes \$116,160 or 20% of the project cost for administrative fees by ANTHC. This fee covers CPA preparation, project reporting, post award compliance, and project management services per the June 2006 MOU between the Commission and ANTHC.

5. Budget and Program Revisions

The Administrative Circular, 2 CFR Part 215 (formerly OMB A-110), applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that ANTHC will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

6. Payments

Payments under this Award will be made through the U.S. Department of Treasury's Automated Standard Application for Payment (ASAP) system. The ASAP system is the Commission's mechanism for requesting and delivering Federal funds to Award recipients. ANTHC must be registered with the ASAP program in order to make draw

downs. Please contact the Commission's Finance Manager at (907)-271-1414 for further information about registering with the ASAP program. Payments shall be made in accordance with 2 CFR Part 215 (formerly OMB A-110). **No interest will be accrued on these funds.**

7. Reporting

Four forms of project reporting are required under this Award, listed below. ANTHC shall submit reports using the Denali Commission's on-line Project Database System, available at www.denali.gov. If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

- a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is September 15, 2006 through September 30, 2006, and quarterly thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:
 - i. Total project funding, including both Denali Commission funding and other project funding sources.
 - ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and Other funding sources.
 - iii. Updated schedule and milestone information as identified in the Scope of Work
 - iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
 - v. **Construction Projects** Photographic documentation of project progress shall be provided with the progress reports for active construction projects. The photo documentation shall include a minimum of three, dated photos per reporting period such that a complete record of the construction is maintained over time, from "before," showing the situation before the start of construction, to "during" showing work proceeding on the project, and "after" to show the finished project. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.
- b. **Standard Form 269A Financial Status Report – Short Form (SF269A)** shall be submitted on a quarterly basis via fax, e-mail or mail. As with the Progress Reports, the SF269A is due within 30 days of the end of the quarter and a final SF269A is due within 90 days of the end of the Award Performance Period. Please note the following:
 - i. This report cannot yet be submitted through the Denali Commission On-line Project Database and therefore must be submitted via fax, e-mail or mail.

- ii. This form is available on the Internet at <http://www.whitehouse.gov/omb/grants/sf269a.pdf>. A link to this site is also available on the Commission's website, www.denali.gov, under the "Finance" section. A Guide to Completing the SF269A can also be found on the Denali Commission's website under the "Finance" section.
 - iii. The SF269A may be filled out electronically using the above link. However, the completed SF269A must be printed and signed, and then the completed SF269A must be submitted to the Denali Commission via mail, fax or as a PDF attachment to an e-mail to finance@denali.gov.
 - iv. If you have multiple projects under a single Financial Assistance Award, the SF269A is required ONLY for the award as a whole, not for the individual projects.
- c. **Wage and Residency Reports** shall be submitted on an annual basis using the Denali Commission On-line Project Database. The reporting period is January 1st – December 31st of each year. Reports are due within 30 days of the end of the reporting period. The Wage and Residency Report shall include the following information for each construction project
- i. Total number of Local Residents employed during the year, and their total payroll earnings.
 - ii. Total number of Non-Local Alaska Residents employed during the year, and their total payroll earnings.
 - iii. Total number of Non-Alaska Residents employed during the year, and their total payroll earnings.
- d. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] "Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part [subpart 205]. The determination of when an award is expended should be based on when the activity related to the award occurs."

Recipients shall also submit single audits to the Federal Clearinghouse as designated by OMB. Information can be found on the following web-site:
<http://harvester.census.gov/sac/>

8. Project/Award Close-Out

The project close-out report shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The project close-out report shall be submitted on-line through the Denali Commission's on-line Project Database System, available at www.denali.gov. The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) "Progress Reports"
- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all construction projects, the Award recipient shall display a sign that acknowledges the Government's support for the project(s) developed under this Award. The Commission will provide an appropriate sign. The Award recipient must request an indoor and/or an outdoor sign from the Commission office. Pickup or delivery of the sign can be arranged at that time.
- d. Costs associated with this requirement shall be paid out of the project funding received by the Award recipient from the Denali Commission.

9. Public Policy Laws and Assurances

Award Recipients are required to comply with the public policy laws and assurances on Standard Forms SF 424b (non-construction projects) or SF 424d (construction projects). This form must also be signed by a certifying official of the organization. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

10. Non-Compliance with Award Conditions

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

11. Program Manager, Financial Manager & Other Contact Information

Denali Commission	ANTHC
Cindy Roberts Washeteria Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3018 Fax: 907-271-1415 E-mail: croberts@denali.gov	Carey Carpenter, P.E. Project Engineer 1901 South Bragaw, Suite 200 Anchorage, AK 99508-3440 Phone: 907-729-3709 Fax: 907- 729-4049 Email: Ccarpenter@anthc.org
Joey Ausel Grants Manager & Analyst 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3415 Fax: 907-271-1415 E-mail: jausel@denali.gov	Diane Chris Financial Contact 1901 South Bragaw, Suite 200 Anchorage, AK 99508-3440 Phone: 907-729-3580 Fax: 907- 729-3571 Email: diane.chris@anthc.org

12.Attachment

Memorandum of Understanding Between the Denali Commission and the Alaska Native Tribal Health Consortium, June 2006

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DENALI COMMISSION
AND
THE ALASKA NATIVE TRIBAL HEALTH CONSORTIUM**

June 2006

I. INTRODUCTION:

This Understanding is made between the Denali Commission, hereinafter referred to as the Commission, acting through the Federal Co-Chair, pursuant to the provisions of the Denali Commission Act of 1998, as amended, and the Alaska Native Tribal Health Consortium, hereinafter referred to as the Consortium, acting through the Chief Executive Officer, under and pursuant to the provisions of Public Law 93-638, as amended.

II. PURPOSE:

This Memorandum of Understanding (MOU) defines the roles and responsibilities of each party with regard to the program management of sustainable health, sanitation, and other related infrastructure within Alaska. This MOU supersedes the September 2004 version in its entirety.

III. AGREEMENT:

A. PROGRAM AGREEMENT DOCUMENTATION:

As necessary, the Commission and the Consortium, together, may execute a Financial Assistance Award (FAA). The FAA may be subsequently amended to: 1) change the amount of funds provided under the original FAA, or alter the original scope. Addenda may be issued to reallocate funds provided under the FAA (as amended). The FAA, or its amendments and addenda, will provide the details concerning the use of provided federal funds; specifically describing the scope, funding, timeline, and reporting requirements for funded projects. When unallocated funds are provided under an award, the Commission's Program Manager, will direct the subsequent allocation via an addendum (signed by the Program Manager) describing the funds to be allocated and the new balance of unallocated funds.

B. CONSORTIUM ROLES AND RESPONSIBILITIES:

1. The Consortium will participate on Commission committees and workgroups to assist in furthering health, sanitation and other related infrastructure programs.

2. The Consortium will prepare Cooperative Project Agreements (CPAs) with the original award applicant to: a) ensure their compliance with Commission award and project management requirements, and b) outline the procedures to accomplish the project scope of work and comply with federal grant management requirements.
3. The Consortium, for projects it directly manages, shall conduct pre-construction conferences with the original project applicants.
4. The Consortium will review project scopes of work and conditions set forth in FAAs and immediately notify the Commission if a project cannot be accomplished, based upon funding, site conditions, or other factors. The Consortium will not prepare a CPA with applicants it believes lacks the capacity to comply with requirements set forth in the FAA.
5. The Consortium will perform Environmental Reviews (ERs) on small clinic and washeteria projects not exceeding 12,000 SF in size. The Consortium utilizes the Indian Health Service (IHS) Environmental Review Manual, and IHS policy published in the Federal Register, Vol. 58, No. 3, January 6, 1993, pp. 569-572. This includes, but is not limited to: documentation of compliance with environmental/archeological laws and regulations; and the identification of various state/federal permit requirements. The consortium will prepare ER documentation consistent with NEPA and NHPA review procedures, established for IHS environmental, design, and construction projects, and forward this documentation to the Commission for determination.
6. The Consortium may provide consultation services to the Commission and its program applicants concerning the Environmental Analysis (EA) process, preparing Environmental Impact Statements (EIS), and formulating recommendations of Finding Of No Significant Impact (FONSI).
7. The Consortium will perform post award monitoring consisting of, a) directing the master record of project and financial data be maintained at the project management organization for 3-years, and b) performing site visits to all projects ANTHC directly manages, and c) provide external audit documents to the Commission pursuant to applicable Circulars.
8. The Consortium will stop project funding or progress to subrecipients that do not comply with the requirements or scope of work outlined in the CPA or the appropriate circulars outlined in the Financial Assistance Award (FAA).

C. COMMISSION ROLES AND RESPONSIBILITIES:

1. The Commission shall notify, in writing, each applicant approved in the conceptual planning project phase. This notification shall clearly identify the role of the Consortium in administering the [Commission's] sub-award agreement with the recipient. A copy of this letter shall be provided to the Consortium.

Memorandum of Understanding Health, Sanitation, & Other Related Infrastructure

2. The Commission shall provide the Consortium with an Environmental Determination, prepared by the Consortium's staff, for compliance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA). The Commission shall provide a file-copy of the Environmental Determination to the Consortium's staff.
3. The Commission will provide current and relevant policies or regulations to the Consortium for incorporation by reference in CPAs.

D. THE PROJECT PROCESS:

1. The Commission and Consortium work together during Conceptual Planning to assist award applicants in developing their project scope and analyzing prospective sites for project construction. This allows all parties to reach agreement on project scope and management methodology, identify funding sources, and resolve issues or problems that could delay project performance and develop a project construction timeline.
2. The Commission will prepare a FAA, amendment, or addenda for approved projects. The Commission shall allow costs incurred on projects prior to the award formulation to be reimbursed once the award is executed and project funds made available via the Automated Standard Application for Payments (ASAP).
3. The Consortium, upon acceptance of a FAA (or amendment/addendum to a FAA), will enter into a CPA with each successful project applicant. This agreement will:
 - a. Describe the project scope, budget, and funding sources, and reportable milestones,
 - b. Contain the IHS NEPA/NHPA compliance review (until the Commission has a compliance process in place),
 - c. Designate responsibility for project and financial management,
 - d. Require compliance with current state regulatory codes,
 - e. Require compliance with the Consortium's post-award grants monitoring procedures
 - f. Require compliance with the Commission's FAA requirements
4. During project execution, the Consortium will monitor financial expenditures and project progress on a quarterly basis.
5. The Consortium shall allow 3-day advanced funding of construction projects to enable project managers to order materials, secure transportation, and provide for labor payroll.
6. Upon project completion, the Consortium will monitor the warranty period (described further in this agreement). Upon completion of the warranty period, the Consortium will close the project file and maintain the award record for 3-years.

E. CONSORTIUM SERVICES & FEES:

1. The Commission will apply the rates illustrated in Table 1 to all projects submitted to the Consortium to manage. These rates are estimates only. Quarterly, the Consortium will reconcile actual costs associated with the performance of the projects.
2. Upon completion of the project a final reconciliation of actual costs will occur. Remaining project funds will be immediately reported to the Commission.
3. The Consortium will inform the Commission at the earliest possible date of any unanticipated project cost overrun, project schedule delays, changes in the project scope, or changed site conditions. This will allow both Consortium and the Commission to cooperatively resolve the problem and successfully complete the project.
4. Annually, Commission and Consortium representatives will review completed project costs to validate the rates reflected in Table 1.

<i>Consortium Services</i>	<i>Budgeted Expense</i>	<i>Calculation of Budget</i>
CPA preparation, project reporting, and post-award grants compliance of "Pass-Through" awards	3%	3% x Design Fee 3% x Total Construction Cost ¹
CPA preparation, project reporting, post award compliance, and project management services of projects managed by the Consortium	20%	20% x Study Cost ² 20% x Design Fee 20% x Total Construction Cost
Non-project related services, participation in Commission workshops and events ³	Actual cost	

Table 1. Consortium Services & Fees

F. WARRANTY AND BENEFICIAL USE:

1. The Consortium shall monitor a warranty program covering all project work for one year after user occupancy of the facility.
2. The Consortium shall manage a warranty program for work performed by the Consortium.
3. Warranty work for pass-through awards is the responsibility of the "pass through" recipient overseeing project performance.
4. Funds to provide warranty service will be included in the construction cost estimate and disbursed only for repairs validated by the project engineer as qualifying for warranty

¹ Total Construction Cost is obtained from the 100% construction cost estimate.

² "Studies" include but are not limited to Code & Condition Surveys, Facility Assessments, and Conceptual Plans.

³ Does not include travel to Commission public meetings unless otherwise agreed to in advance.

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service. A warranty clause shall be included in all competitive bid projects and will be executed under the formal contract.

5. Unexpended funds remaining at the end of the warranty period shall be immediately reported to the Commission for reallocation to other projects.

G. REPORTING:

1. Financial reporting encompasses project specific financial reporting via the Commission web based project reporting system and award specific financial reporting via the Standard Form 269.
2. Financial reporting is typically quarterly, unless modified by the Commission's program manager. Reports will be provided within 30-days following the end of the quarter.
3. Progress reporting is typically quarterly (unless modified by the Commission's program manager) utilizing the Commission's web-based project reporting system. The Consortium will provide the following data for progress reports, 1) project narrative, including completion of Commission milestones, 2) project funding and expenditures, 3) project photos (if applicable), 4) a copy of the signed CPAs (as amended), and 5) a statement on project progress.
4. The Commission will establish the base data record for all projects being reported through the web-based report system.
5. The Commission will identify, from the successful grant applicant, the source and amount of funds being provided to the project, so this information can be added to the base data record.
6. The Commission will obtain the Consortium's and project applicants single audit report through the federal clearinghouse.
7. Both parties to this agreement will cooperate to ensure this reporting is accomplished through interface of their respective automated reporting systems.

IV. DURATION OF AGREEMENT:

This Agreement shall continue in force until such time that the Consortium or the Commission provides written notice of termination - one hundred and twenty days (120) in advance of termination date.

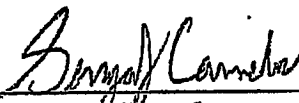
V. DISPUTE RESOLUTION:

Should disagreement arise on the interpretation of the provisions of this MOU, or as amended, that cannot be resolved; the area(s) of disagreement shall be stated in writing by each party and presented to the other party for consideration. If agreement on interpretation is not reached within thirty days from exchange of the written interpretation(s), the parties shall then move forward to mediation and arbitration with a neutral third party.

IV SIGNATURES:


IN THE WITNESS WHEREOF, the parties have subscribed their names,

6/13/06
Date



George J. Canelos
Federal Co-Chair
Denali Commission

6/14/06
Date



Paul Sherry
Per Chief Executive Officer
Alaska Native Tribal Health Consortium